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SENATE BILL 292

43RD LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 1998

INTRODUCED BY

TIMOTHY Z. JENNINGS

AN ACT

RELATING TO FINANCING OF HIGHWAY PROJECTS; INCREASING THE
BONDING AUTHORITY OF THE STATE HIGHWAY COMMISSION AND
AUTHORIZING CERTAIN HIGHWAY PROJECTS CONTINGENT UPON THE
RECEIPT OF CERTAIN FEDERAL HIGHWAY FUNDS; AUTHORIZING THE
PLEDGING OF TAXES, FEES AND FEDERAL FUNDS IN THE STATE ROAD
FUND TO THE PAYMENT OF BONDS; AMENDING A SECTION OF THE NMSA
1978.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 67-3-59.1 NMSA 1978 (being Laws
1989, Chapter 157, Section 1, as amended) is amended to read:

"67-3-59.1. STATE HIGHWAY DEBENTURES--ISSUANCE--LIMITS--
APPROVAL--COUPONS.--

A. In order to provide funds to finance state
highway projects, including state highway projects that are

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1 required for the waste isolation pilot project and are
2 eligible for federal reimbursement or payment as authorized by
3 federal legislation, the state highway commission is
4 authorized to issue bonds from time to time, payable from
5 federal funds not otherwise obligated that are paid into the
6 state road fund, the proceeds of the collection of [~~gasoline~~
7 ~~excise~~] taxes and [~~motor vehicle registration~~] fees that are
8 required by law to be paid into the state road fund and not
9 otherwise pledged solely to the payment of outstanding bonds
10 and debentures.

11 B. The total aggregate outstanding principal
12 amount of bonds issued from time to time pursuant to this
13 section, secured by or payable from [~~the gasoline excise taxes~~
14 ~~and motor vehicle registration fees~~] federal funds not
15 otherwise obligated that are paid into the state road fund and
16 the proceeds from the collection of taxes and fees required by
17 law to be paid into the state road fund shall not, without
18 additional authorization of the state legislature, exceed [~~one~~
19 ~~hundred fifty million dollars (\$150,000,000)~~] at any given
20 time, subject to the [~~following~~] provisions of Subsection C of
21 this section, the following amounts:

- 22 (1) prior to July 1, 1998, one hundred fifty
- 23 million dollars (\$150,000,000);
- 24 (2) from July 1, 1998 through June 30, 1999,
- 25 five hundred million dollars (\$500,000,000); and

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1 Subparagraph (b) of Paragraph (2) of this subsection shall be
2 used for planning, designing, engineering and constructing and
3 for acquiring rights of way for the following projects,
4 contingent upon New Mexico receiving additional obligation
5 authority from the federal highway trust fund pursuant to
6 federal authorization to obligate the four and three-tenths
7 cents (\$.043) per gallon federal excise tax on gasoline for
8 highway infrastructure:

9 (a) four-lane construction of United
10 States highway 70 from Alamogordo to Texico;

11 (b) four-lane construction of United
12 States highway 54 from the Texas state line north to
13 Alamogordo;

14 (c) construction of the Silver City
15 relief route;

16 (d) construction of the Alamogordo
17 relief route;

18 (e) four-lane construction of United
19 States highway 285 from interstate 25 to Carlsbad;

20 (f) construction of a new east-west
21 connecting route from state road 47 to interstate 25 south of
22 Los Lunas;

23 (g) improvements to United States
24 highway 666; and

25 (h) construction of the Rio Bravo west

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1 extension and an interchange at the Paseo del Volcan and
2 interstate 40 in Bernalillo county.

3 ~~[C.]~~ D. The state highway commission may issue
4 bonds to refund other bonds issued pursuant to this section by
5 exchange or current or advance refunding.

6 ~~[D.]~~ E. Each series of bonds shall have a maturity
7 of no more than twenty-five years from the date of issuance.
8 The state highway commission shall determine all other terms,
9 covenants and conditions of the bonds; provided that the bonds
10 shall not be issued pursuant to this section unless the state
11 board of finance approves the issuance of the bonds and the
12 principal amount of and interest rate or maximum net effective
13 interest rate on the bonds.

14 ~~[E.]~~ F. The bonds shall be executed with the
15 manual or facsimile ~~[signatures]~~ signature of the chairman of
16 the state highway commission, countersigned by the state
17 treasurer and attested to by the secretary of the state
18 highway commission, with the seal of the state highway
19 commission imprinted or otherwise affixed to the bonds.

20 ~~[F.]~~ G. Proceeds of the bonds may be used to pay
21 expenses incurred in the preparation, issuance and sale of the
22 bonds and, together with the earnings on the proceeds of the
23 bonds, may be used to pay rebate, penalty, interest and other
24 obligations relating to the bonds and the proceeds of the
25 bonds under the Internal Revenue Code of 1986, as amended.

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1 [~~G.~~] H. The bonds may be sold at public or private
2 sale. If sold at public sale, a notice of the time and place
3 of sale shall be published in a newspaper of general
4 circulation in the state, and in any other newspaper
5 determined in the resolution authorizing the issuance of the
6 bonds, once each week for two consecutive weeks prior to the
7 date of sale. The bonds may be purchased by the state
8 treasurer or state investment officer.

9 [~~H.~~] I. This section is full authority for the
10 issuance and sale of the bonds, and the bonds shall not be
11 invalid for any irregularity or defect in the proceedings for
12 their issuance and sale and shall be incontestable in the
13 hands of bona fide purchasers or holders of the bond for
14 value.

15 [~~I.~~] J. The bonds shall be legal investments for
16 any person or board charged with the investment of public
17 funds and may be accepted as security for any deposit of
18 public money and, with the interest thereon, are exempt from
19 taxation by the state and any political subdivision or agency
20 of the state.

21 K. Any law authorizing the imposition or
22 distribution of taxes or fees paid into the state road fund or
23 that affects those taxes and fees shall not be amended or
24 repealed or otherwise directly or indirectly modified so as to
25 impair any outstanding bonds secured by a pledge of revenues

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1 from those taxes and fees paid into the state road fund,
2 unless the bonds have been discharged in full or provisions
3 have been made for a full discharge. In addition, while any
4 bonds issued by the state highway commission pursuant to the
5 provisions of this section remain outstanding, the powers or
6 duties of the commission shall not be diminished or impaired
7 in any manner that will affect adversely the interests and
8 rights of the holder of such bonds.

9 L. Bonds issued pursuant to this section shall be
10 paid solely from federal funds not otherwise obligated, taxes
11 and fees and county and municipal contributions deposited into
12 the state road fund and shall not constitute a general
13 obligation of the state. "

1 FORTY-THIRD LEGISLATURE
2 SECOND SESSION, 1998
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6 February 4, 1998
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8 Mr. President:
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10 Your COMMITTEES' COMMITTEE, to whom has been referred
11

12 SENATE BILL 292
13

14 has had it under consideration and finds same to be GERMANE, in
15 accordance with constitutional provisions, and thence referred to the
16 FINANCE COMMITTEE.
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19 Respectfully submitted,
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25 _____
Manny M. Aragon, Chairman

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(Chief Clerk)

(Chief Clerk)

Date _____

S0292CC1

1 FORTY-THIRD LEGISLATURE

2 SECOND SESSION, 1998

3
4
5 February 13, 1998

6
7 Mr. President:

8
9 Your FINANCE COMMITTEE, to whom has been referred

10
11 SENATE BILL 292

12
13 has had it under consideration and reports same with recommendation
14 that it DO NOT PASS, but that

15
16 SENATE FINANCE COMMITTEE SUBSTITUTE FOR

17
18 SENATE BILL 292

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20 DO PASS.

21 Respectfully submitted,

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Ben D. Altamirano, Chairman

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Date _____

The roll call vote was 6 For 1 Against

Yes: 6

No: Eisenstadt

Excused: Carraro, Ingle, Lyons, McKibben

Absent: None

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SENATE FINANCE COMMITTEE SUBSTITUTE FOR
SENATE BILL 292

43RD LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 1998

AN ACT

RELATING TO FINANCING OF HIGHWAY PROJECTS; AUTHORIZING THE
ISSUANCE OF STATE HIGHWAY BONDS FOR CERTAIN STATE HIGHWAY
PROJECTS CONTINGENT UPON RECEIPT OF CERTAIN ADDITIONAL FEDERAL
FUNDS; MAKING APPROPRIATIONS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. STATE HIGHWAY BONDS-- PURPOSES FOR WHICH
ISSUED-- APPROPRIATION OF PROCEEDS. --

A. The state highway commission may issue and sell
state highway bonds in compliance with the provisions of
Section 67-3-59.1 NMSA 1978 in an amount not exceeding one
hundred fifty-five million dollars (\$155,000,000) when the
commission determines the need for the issuance of the bonds,
contingent upon appropriation pursuant to federal law of the
four and three-tenths cents (\$.043) per gallon federal excise

. 123291. 1

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1 tax on gasoline in the federal highway trust fund for highway
2 infrastructure and New Mexico receiving appropriate additional
3 obligation authority. The state highway commission shall
4 schedule the issuance and sale of the bonds in the most
5 expeditious and economic manner possible upon a finding by the
6 commission that the project has been developed sufficiently to
7 justify the issuance and that the project can proceed to
8 contract within a reasonable time. Bonds issued pursuant to
9 this subsection shall have a maturity of no more than ten
10 years from the date of issuance. The proceeds from the sale
11 of the bonds are appropriated to the state highway and
12 transportation department for the four-lane construction and
13 improvement of United States highway 70.

14 B. The state highway commission may issue and sell
15 state highway bonds in compliance with the provisions of
16 Section 67-3-59.1 NMSA 1978 in an amount not exceeding twenty-
17 four million dollars (\$24,000,000) when the commission
18 determines the need for the issuance of the bonds, contingent
19 upon appropriation pursuant to federal law of the four and
20 three-tenths cents (\$.043) per gallon federal excise tax on
21 gasoline in the federal highway trust fund for highway
22 infrastructure and New Mexico receiving appropriate additional
23 obligation authority. The state highway commission shall
24 schedule the issuance and sale of the bonds in the most
25 expeditious and economic manner possible upon a finding by the
commission that the project has been developed sufficiently to
justify the issuance and that the project can proceed to
contract within a reasonable time. Bonds issued pursuant to

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1 this subsection shall have a maturity of no more than ten years
2 from the date of issuance. The proceeds from the sale of the
3 bonds are appropriated to the state highway and transportation
4 department for construction of a new east-west connecting route
5 from state road 47 to interstate 25 south of Los Lunas.

6 C. The state highway commission may issue and sell
7 state highway bonds in compliance with the provisions of Section
8 67-3-59.1 NMSA 1978 in an amount not exceeding forty-nine million
9 dollars (\$49,000,000) when the commission determines the need for
10 the issuance of the bonds, contingent upon appropriation pursuant
11 to federal law of the four and three-tenths cents (\$.043) per
12 gallon federal excise tax on gasoline in the federal highway
13 trust fund for highway infrastructure and New Mexico receiving
14 appropriate additional obligation authority. The state highway
15 commission shall schedule the issuance and sale of the bonds in
16 the most expeditious and economic manner possible upon a finding
17 by the commission that the project has been developed
18 sufficiently to justify the issuance and that the project can
19 proceed to contract within a reasonable time. Bonds issued
20 pursuant to this subsection shall have a maturity of no more than
21 ten years from the date of issuance. The proceeds from the sale
22 of the bonds are appropriated to the state highway and
23 transportation department for four-lane construction of United
24 States highway 54 from the Texas state line north to Alamogordo.

25 D. The state highway commission may issue and sell

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1 state highway bonds in compliance with the provisions of Section
 2 67-3-59.1 NMSA 1978 in an amount not exceeding fifteen million
 3 dollars (\$15,000,000) when the commission determines the need for
 4 the issuance of the bonds, contingent upon appropriation pursuant
 5 to federal law of the four and three-tenths cents (\$.043) per
 6 gallon federal excise tax on gasoline in the federal highway
 7 trust fund for highway infrastructure and New Mexico receiving
 8 appropriate additional obligation authority. The state highway
 9 commission shall schedule the issuance and sale of the bonds in
 10 the most expeditious and economic manner possible upon a finding
 11 by the commission that the project has been developed
 12 sufficiently to justify the issuance and that the project can
 13 proceed to contract within a reasonable time. Bonds issued
 14 pursuant to this subsection shall have a maturity of no more than
 15 ten years from the date of issuance. The proceeds from the sale
 16 of the bonds are appropriated to the state highway and
 17 transportation department for construction of the Silver City
 18 relief route.

19 E. The state highway commission may issue and sell
 20 state highway bonds in compliance with the provisions of Section
 21 67-3-59.1 NMSA 1978 in an amount not exceeding eighteen million
 22 dollars (\$18,000,000) when the commission determines the need for
 23 the issuance of the bonds, contingent upon appropriation pursuant
 24 to federal law of the four and three-tenths cents (\$.043) per
 25 gallon federal excise tax on gasoline in the federal highway

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1 trust fund for highway infrastructure and New Mexico receiving
2 appropriate additional obligation authority. The state highway
3 commission shall schedule the issuance and sale of the bonds in
4 the most expeditious and economic manner possible upon a finding
5 by the commission that the project has been developed
6 sufficiently to justify the issuance and that the project can
7 proceed to contract within a reasonable time. Bonds issued
8 pursuant to this subsection shall have a maturity of no more than
9 ten years from the date of issuance. The proceeds from the sale
10 of the bonds are appropriated to the state highway and
11 transportation department for four-lane construction of United
12 States highway 285 from interstate 25 to Lamy.

13 F. The state highway commission may issue and sell
14 state highway bonds in compliance with the provisions of Section
15 67-3-59.1 NMSA 1978 in an amount not exceeding twenty-five
16 million dollars (\$25,000,000) when the commission determines the
17 need for the issuance of the bonds, contingent upon appropriation
18 pursuant to federal law of the four and three-tenths cents
19 (\$.043) per gallon federal excise tax on gasoline in the federal
20 highway trust fund for highway infrastructure and New Mexico
21 receiving appropriate additional obligation authority. The state
22 highway commission shall schedule the issuance and sale of the
23 bonds in the most expeditious and economic manner possible upon a
24 finding by the commission that the project has been developed
25 sufficiently to justify the issuance and that the project can

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1 proceed to contract within a reasonable time. Bonds issued
 2 pursuant to this subsection shall have a maturity of no more than
 3 ten years from the date of issuance. The proceeds from the sale
 4 of the bonds are appropriated to the state highway and
 5 transportation department for improvement of United States
 6 highway 84 from Espanola through Hernandez.

7 G. The state highway commission may issue and sell
 8 state highway bonds in compliance with the provisions of Section
 9 67-3-59.1 NMSA 1978 in an amount not exceeding fifteen million
 10 dollars (\$15,000,000) when the commission determines the need for
 11 the issuance of the bonds, contingent upon appropriation pursuant
 12 to federal law of the four and three-tenths cents (\$.043) per
 13 gallon federal excise tax on gasoline in the federal highway
 14 trust fund for highway infrastructure and New Mexico receiving
 15 appropriate additional obligation authority. The state highway
 16 commission shall schedule the issuance and sale of the bonds in
 17 the most expeditious and economic manner possible upon a finding
 18 by the commission that the project has been developed
 19 sufficiently to justify the issuance and that the project can
 20 proceed to contract within a reasonable time. Bonds issued
 21 pursuant to this subsection shall have a maturity of no more than
 22 ten years from the date of issuance. The proceeds from the sale
 23 of the bonds are appropriated to the state highway and
 24 transportation department for improvement of United States
 25 highway 180 from Silver City to Deming.

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FORTY-THIRD LEGISLATURE

SECOND SESSION

February 14, 1998

SENATE FLOOR AMENDMENT number _____ to SENATE FINANCE COMMITTEE
SUBSTITUTE FOR SENATE BILL 292

Amendment sponsored by Senator Timothy Z. Jennings

1. On page 7, between lines 22 and 23, insert the following
new subsection:

"I. For the purposes of this section, "construction" and
"improvement" include planning, designing, engineering,
constructing and acquiring rights-of-way. "

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[bracketed material] = delete

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FORTY-THIRD LEGISLATURE
SECOND SESSION

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SFC/SB 292

SF1/SB 292

Page 20

Timothy Z. Jennings

Adopted _____ Not Adopted _____
(Chief Clerk) (Chief Clerk)

Date _____

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123449. 1

1 FORTY-THIRD LEGISLATURE

2 SECOND SESSION, 1998

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6 February 17, 1998

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8 Mr. Speaker:

9
10 Your TRANSPORTATION COMMITTEE, to whom has been
11 referred

12
13 SENATE FINANCE COMMITTEE SUBSTITUTE FOR SENATE BILL
14 292, as amended

15
16 has had it under consideration and reports same with
17 recommendation that it DO PASS, amended as follows:

18 1. On page 1, line 24, after "of" insert "all or a portion
19 of".

20
21 2. On page 2, line 19, after "of" insert "all or a portion
22 of".

23
24 3. On page 3, line 14, after "of" insert "all or a portion
25 of".

4. On page 4, line 8, after "of" insert "all or a portion

underscored material = new
[bracketed material] = delete

FORTY-THIRD LEGISLATURE
SECOND SESSION, 1998

SFC/SB 292

HTC/CS SB 292

Page 22

of".

5. On page 5, line 2, after "of" insert "all or a portion

of".

6. On page 5, line 21, after "of" insert "all or a portion

of".

7. On page 6, line 15, after "of" insert "all or a portion

of".

8. On page 7, line 9, after "of" insert "all or a portion

of".

and thence referred to the TAXATION AND REVENUE
COMMI TTEE.

Respectfully submitted,

Daniel P. Silva, Chairman

underscoring material = new
[bracketed material] = delete

1 FORTY-THIRD LEGISLATURE
2 SECOND SESSION, 1998

3 HTC/CS SB 292

Page 23

4 Adopted _____ Not Adopted _____

5 (Chief Clerk)

(Chief Clerk)

7 Date _____

9 The roll call vote was 10 For 0 Against

10 Yes: 10

11 Excused: None

12 Absent: Corley, Olguin

14 123546.1

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